

Library Workshop

Indiana State Library

November, 2019



Indiana State Board of Accounts



State Board of Accounts

Audit Reports

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Mission Statement

We are dedicated to providing the citizens of the State of Indiana with complete confidence in the integrity and financial accountability of state and local government

www.in.gov/sboa



Enhanced Regulatory Basis

- Elements of GAAP Reporting
- Note Disclosures
- Financial Statement



SBOA Website Information

Hot Topics ▾

2019 Gateway - Annual Financial Report (AFR)
Changes

Local units should review these changes carefully as they will need to ensure they are collecting the information required for the updated AFR submission.

[Schedule of Regulatory Changes](#)

www.in.gov/sboa



Schedule of Regulatory Changes

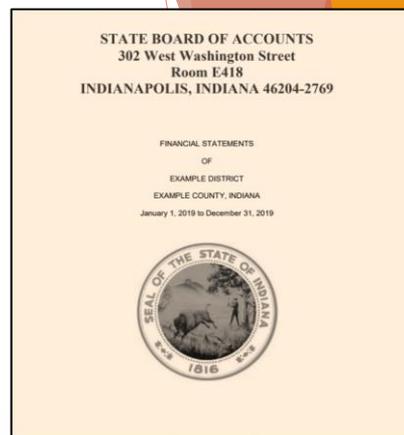
Current Regulatory	Regulatory for 2019 Calendar Year Units	Regulatory for 2020 Calendar Year Units
<p>FINANCIAL STATEMENTS</p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> - Shows total receipts, disbursements, and ending balance for each fund 	<p>FINANCIAL STATEMENTS</p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> - The Combining Schedules from the supplementary information will be shown as the Statement of Receipts, Disbursements, and Cash and Investment Balances - Shows detailed, instead of total, receipts and disbursements for each fund and ending balance (i.e. receipts from taxes, charges for services, intergovernmental, etc.) 	<p>FINANCIAL STATEMENTS</p> <p>Statement of Receipts, Disbursements, and Cash and Investment Balances</p> <ul style="list-style-type: none"> - Financial statement will show fund type classifications. The information submitted in Gateway will be aggregated and presented in the appropriate fund type classification. - Fund types shown will be as follows: General, Special Revenue, Capital Projects, Debt Service, Permanent, Enterprise, and Fiduciary
<p>NOTES TO THE FINANCIAL STATEMENTS</p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> - Reporting entity - Basis of accounting - Cash and investments 	<p>NOTES TO THE FINANCIAL STATEMENTS</p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> - No changes to existing accounting policy notes - Added a section for capitalization thresholds to indicate what qualifies as a capital asset 	<p>NOTES TO THE FINANCIAL STATEMENTS</p> <p>Summary of Significant Accounting Policies</p> <ul style="list-style-type: none"> - No changes

Visit www.in.gov/sboa to view the entire document



Example Regulatory Report

www.in.gov/sboa



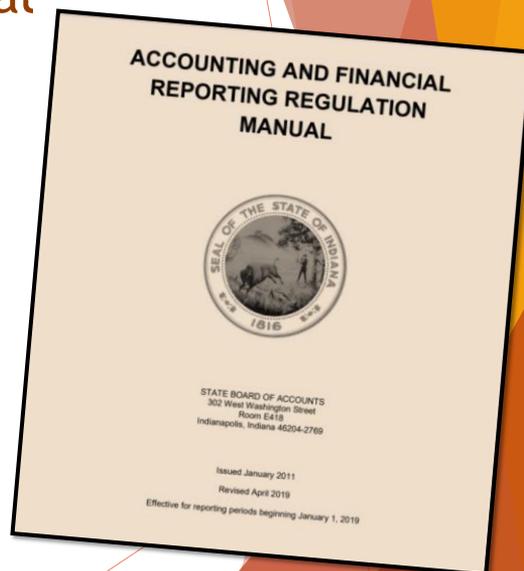
Example Reports

The financial information filed within the AFR is used in the units' financial reports that are audited by the State Board of Accounts. These example reports show the format of what the unit's financial statement will look like with these new changes. Local officials may want to compare these reports to their most recent audit report to obtain a better understanding of the changes.



Accounting and Financial Reporting Regulation Manual - 2019

www.in.gov/sboa



2019 Enhanced Regulatory Summary of Updates

Financial Statement

Statement of Receipts, Disbursements, and Cash and Investment Balances - Regulatory Basis

Supplementary Information

Schedule of Capital Assets
 Schedule of Payables and Receivables (*removed*)
 Schedule of Debt and Leases (*removed*)
 Schedule Receipts, Disbursements, and Cash and Investment Balances (*removed*)

Note Disclosures

Long Term Debt
 Leases
 Interfund Transfers
 Deficit Balances
 Pensions and OPEB
 Significant Contingent Liabilities
 Significant Commitments
 Subsequent Events



2019 Gateway Updates Annual Financial Report

▶ IC 5-11-1-4

▶ Due February 29, 2020



Financial Data by Fund

2019 AFR - No Changes

Financial Data by Fund ?

[Return to AFR Main Menu](#)

Enter or change basic financial information for the year. This includes adding or deleting funds, entering beginning cash and investment balances, receipts and disbursements for each fund. **Beginning Balance Investments** and **Beginning Balance Cash** fields may be edited by clicking directly on the grid.

Make sure to press the ENTER key on the keyboard after entering a number to make sure it is saved!

Governmental Activities

Delete	Edit	Local Fund Name	Beginning Balance Investments	Ending Balance Investments	Beginning Balance Cash	Receipts	Disbursements	Ending Balance Cash
X		0 - General 101001 General	\$0.00	\$0.00	\$461,602.65	\$1,675,818.40 Add/Edit	\$1,484,467.07 Add/Edit	\$652,953.98
X		0 - Library Improvement Reserve 104056 Library Improvement Reserve	\$0.00	\$0.00	\$9,692.63	\$0.00 Add/Edit	\$0.00 Add/Edit	\$9,692.63
X		0 - Plac Card 110058 PLAC Card	\$0.00	\$0.00	\$390.00	\$1,950.00 Add/Edit	\$1,950.00 Add/Edit	\$390.00
X		26 - Construction Fund 900001 Construction Fund	\$0.00	\$0.00	\$0.00	\$4,492,129.62 Add/Edit	\$351,628.09 Add/Edit	\$4,140,501.53

[Return to AFR Main Menu](#)



2019 Gateway Updates Long-term Debt Schedule

Debt Schedule

Governmental Activities

Add Row

Delete	Debt Class	Description or Purpose	Beginning Principal Balance as of Jan. 1, 2018	Additions	Reductions	Ending Principal Balance as of Dec. 31, 2018	Principal and Interest Due in 2019
X	Revenue Bonds	Taxable Economic Development Bonds of 2007	\$510,000.00	\$50,000.00	\$5,000.00	\$555,000.00	\$168,200.00
X	Revenue Bonds	Taxable Increment Revenue Bonds of 2011, Series A	\$895,000.00	\$100,000.00	\$20,000.00	\$975,000.00	\$116,886.00
X	Revenue Bonds	Taxable Economic Development Revenue Bonds of 2011	\$265,000.00	\$0.00	\$7,500.00	\$257,500.00	\$75,000.00
X	General Obligation Bonds	Sanitary District Bond of 2012	\$3,740,000.00	\$150,000.00	\$15,000.00	\$3,875,000.00	\$3,814,800.00
X	Notes and Loans Payable	EMS Pumper 2013 28-3611	\$166,125.00	\$0.00	\$10,000.00	\$156,125.00	\$170,162.00
X	Notes and Loans Payable	EMS Ladder Truck 2013 28-3882	\$221,693.00	Required	Required	\$221,693.00	\$114,834.00



2019 Gateway Updates Inter-fund Transfers

AFR Unit Questions ?

12. Did your unit make interfund transfers during the year?

Yes No



2019 Gateway Updates Inter-fund Transfers

Other Disbursements

Disbursement Classification	Amount
Payments To or On Behalf of Beneficiaries	
Payment of Taxes and Other Payroll Withholdings	
Distributions to Other Governmental Entities	
Transfer Out - Transferred To Another Fund	\$1,200.00

Other Receipts

Receipt Classification	Amount
Sale of Investments	
Earnings on Investments and Deposits	
Proceeds from Tax Anticipation Warrants	
Proceeds from Borrowings other than Tax Anticipation Warrants	
Sale of Capital Assets	
Refunds and Reimbursements	
Benefit Plan Contributions	
Donations, Gifts, and Bequests	
Payroll Fund and Clearing Account Receipts	
Transfers In - Transferred from Another Fund	\$1,200.00



2019 Gateway Updates Inter-fund Transfers

Transfer Schedule

Add Row

Delete	Transfer_From	Transfer_To	Amount
X	0000001186 Rainy Day	0000001000 General	\$5,000.00
X	0000001176 Motor Vehicle Highway	0000009001 Community Crossings Grant	\$300,000.00
X	0000001169 Local Road and Street	0000009001 Community Crossings Grant	\$10,000.00

Data Posted

Additional Information

Indicate any transfers either that do not occur on a routine basis or are inconsistent with the activities of the fund making the transfer.

Total: \$315,000.00



2019 Gateway Updates Inter-fund Transfers

Transfer Schedule

Add Row

Delete	Transfer_From	Transfer_To	Amount
X	0000001186 Rainy Day	0000001000 General	\$5,000.00
X	0000001176 Motor Vehicle Highway	0000009001 Community Crossings Grant	\$300,000.00
X	0000001189 Local Road and Street	0000009001 Community Crossings Grant	\$10,000.00

0000001152 Emergency Planning/Right to Know			
0000001155 Extradition and Sheriff's Assistance			
0000001156 Firearms Training			
0000001158 General Drain Improvement			
0000001159 Health			
0000001180 Identification Security Protection			
0000001188 Local Health Maintenance			
0000001189 Local Road and Street			
0000001170 LOIT Public Safety - County Share			
0000001175 Misdemeanant			
0000001176 Motor Vehicle Highway			
0000001178 Park Nonreverting Capital			
0000001179 Park Nonreverting Operating			
0000001186 Rainy Day			
0000001189 Recorder's Records Perpetuation			
0000001192 Sex and Violent Offender Administration			
0000001200 Supplemental Public Defender Services			
0000001201 Surplus Tax			



2019 Gateway Updates Pensions

Pensions ?

1. Please indicate if your unit offers any of these pension plans to your Employees. Check all that apply.

- Public Employees Retirement Fund
- 1925 Police Pension Fund
- Teachers Retirement Fund
- 1937 Firefighter's Pension Fund
- Police Pension Fund - First Class Cities
- 1977 Police and Firefighter's Pension Fund

2. Does your unit have any other pension plans where the employer makes contributions to the plan or funds any part of the benefits?

- Yes
- No

Add a plan entry in the table below for each additional plan the unit has.

3. When complete, mark the form as completed.

- This form is complete

Save This Form Return To the Main Menu



2019 Gateway Updates Pensions

Name of the Pension Plan

Type/Class of Employees Covered by the Plan

Type of Pension Plan

Select the IN Code that Applied to this Plan

Does the Plan Have Terms Related to Vesting Yes No

If Yes, list the terms that must be met to vest:



2019 Gateway Updates Pensions

Does the Plan have any terms related to forfeitures (i.e. benefits payable to a plan member must be forfeited in the event the member is convicted of a crime)?

Yes No

If Yes, please upload a file with the policy (jpg, pdf, gif, tif, png):

No file chosen

[View File](#)

Select the Benefits Provided Under this Plan

Retirement Income Death Benefits Life Insurance Disability Benefits Other

If Other, please specify

Upload the Actuarial Report No file chosen

[View File](#)



2019 Gateway Updates - OPEB

*Name of the OPEB Plan

*Type of OPEB Plan

*Select the benefits provided under this OPEB plan:

Medical
 Dental
 Vision
 Hearing
 Death Benefits
 Life Insurance
 Disability
 Long-term Care
 Other

Plan Administrator

*Company Name

*Street Address

*City

*State

*Zip (e.g. 99999)

*Contact Person

*Phone (e.g. 999-999-9999)

*e-mail (e.g. example@example.com)

*Employer Sponsoring the Plan



2019 Gateway Updates - OPEB

Current Number of Participants

*Inactive employees or beneficiaries current receiveing benefit payments

*Inactive employees entitled to but not yet receiving benefits

*Active Employees

Actuarial Information

*Has there been an actuarial valuation done for this plan? Yes No

*When are you planning to have an actuarial valuation done?

Next Year
 Two Years
 More then Two Years
 More then Two Years
 Do not intend to have an actuarial valuation done



2019 Gateway Updates - OPEB

Contribution Rates(as a Percentage of Payroll)

*Employer (e.g. 99.99)

*Plan Members (e.g. 99.99)

*Annual Covered Payroll (e.g. 9999.99)

*Cost Method for Funding Purposes

- Unit Credit
- Projected Unit Credit
- Entry Age Normal(% Salary)
- Entry Age Normal (Level Dollar)
- Aggregate
- Attained Age Normal
- Individual Aggregate
- Frozen Initial Liability
- Individual Level Premium
- Pay as you go
- Other(Please specify)

SAVE

OPEB Main

The Indiana Gateway for Government Units pr
to the [State Board of Accounts](#). It is maintained



2019 Enhanced Regulatory Capital Assets

- Capital Asset Additions and Reductions
- Supplementary Information for 2019
- Financial Statement Note Disclosure 2020
- Questions from Spring Workshop



2019 Gateway Updates Capital Assets

Governmental Activities

Government or Enterprise	Beginning Balance as of January 1, 2018	Additions	Reductions	Ending Balance as of December 31, 2018
Books	\$0.00	\$0.00	\$0.00	\$0.00
Building	\$7,956,144.00	\$50,000.00	\$10,000.00	\$7,996,144.00
Construction	\$8,000,000.00	\$0.00	\$0.00	\$8,000,000.00
Improvement	\$106,252,812.96	\$6,000,000.00	\$0.00	\$112,252,812.96
Infrastructure	\$4,985,671.45	\$0.00	\$150,000.00	\$4,835,671.45
Land	\$15,757,139.18	\$200,000.00	\$90,350.00	\$15,866,789.18
Machinery	\$23,615,963.75	\$60,000.00	\$20,200.00	\$23,655,763.75

WASTEWATER

Government or Enterprise	Beginning Balance as of January 1, 2018	Additions	Reductions	Ending Balance as of December 31, 2018
Building	\$2,645,107.00	\$75,000.00	\$0.00	\$2,720,107.00
Construction	\$400,000.00	\$0.00	\$0.00	\$400,000.00

Total Capital Assets

Government or Enterprise	Beginning Balance as of January 1, 2018	Additions	Reductions	Ending Balance as of December 31, 2018
Grand total	\$409,421,603.03	\$7,685,000.00	\$360,550.00	\$416,746,053.03



2020 Enhanced Regulatory Capital Assets - *reminder*

- ▶ Removed from Supplementary Information section
- ▶ Added to Notes to Financial Statements section
- ▶ Beginning Balance, Additions, Reductions, Ending Balance by Activity and Class as in 2019
- ▶ Accumulated Depreciation for depreciable assets



Recap Schedule of Regulatory Changes

Current Regulatory	Regulatory for 2019 Calendar Year Units	Regulatory for 2020 Calendar Year Units
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End of Year Duties



End of Year Duties

- Annual Financial Report – Gateway
- Form 100-R – Gateway
- Annual Uploads – Gateway
- Appropriation Transfers
- Encumbered Appropriations
- Cancellation of Warrants
- Names & Addresses to County Treasurer
- Internal Control Considerations



End of Year Duties Annual Financial Report

Required by IC 5-11-1-4

Due 60 days after year end
* February 29, 2020*

Updated for Enhanced Regulatory

Internal Control Considerations





End of Year Duties Annual Financial Report

Gather information / post/reconcile records to complete information for

- ✓ Financial Data By Fund
- ✓ Capital Assets
- ✓ Grants
- ✓ Long-term Debt
- ✓ Leases
- ✓ Pensions
- ✓ Inter-fund Transfers
- ✓ Risk Assessment Questions



End of Year Duties Annual Financial Report

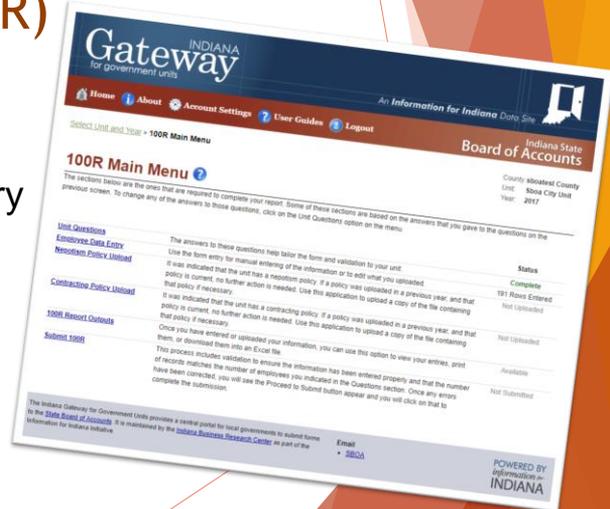
Risk Assessment Questions

- 7. Does anyone review the completed bank statements?
- 24. Have items included in the most recent SBOA report been adequately corrected?



End of Year Duties Certified Report of Names, Duties, & Compensation (100R)

- Required by IC 5-11-13-1
- Due during the month of January for the preceding year
* **January 31, 2020** *
- No Changes to the Reporting
- Internal Control Considerations



End of Year Duties Monthly Uploads in Gateway

Required Monthly Uploads, *January through December:*

- Bank Reconciliation
- Board Minutes
- Funds Ledger



End of Year Duties Annual Uploads in Gateway

Bank Statement

- December 2019 statement for each bank account
- Does not require images of checks
- No reconciliation here – it will be with the monthly uploads

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Outstanding Checklist

- Detailed list
- Checks written but not cleared bank
- Total should agree to reconciliation
- Include
 - check date
 - check number
 - check amount

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Investment Statements

- Similar to checking account statement
- December 2019 account statement
- For all investment accounts

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Detail of Receipt Activity

- Does not apply if hand-posted records
- Listing of all receipts issued & posted
- Include receipt numbers

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Detail of Disbursement Activity

- Does not apply if hand-posted records
- Listing of all non-payroll disbursements issued & posted
- Include check numbers & vendor names

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Current Year Salary Ordinance

- Scan & upload 2019 salary resolution/schedule(s)
in effect at end of year

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Annual Uploads in Gateway

Vendor History Report

- Does not apply if hand-posted records
- Detailed listing of all vendors to whom checks were issued during the year
- Should show a total by vendor

Annual

Year End Bank Statement
 Year End Outstanding Checklist
 Year End Investment Statements
 Detail of receipt activity
 Detail of disbursement activity
 Current Year Salary Ordinance
 Annual Vendor History Report



End of Year Duties Appropriation Transfers

Indiana Code 6-1.1-18-6: Transfers of appropriations

Transfers from one major budget classification to another within a department or office if:

- It is determined that the transfer is necessary;
- The transfer does not require the expenditure of more money than the total amount set out in the budget;
- The transfer is made at a regular public meeting and by proper ordinance **or resolution**.
- Such a transfer can be made without notice and without approval of DLGF



End of Year Duties Encumbrances

Encumbered Appropriations:

Those items under purchase order or contract are to be added for each appropriation account and the total carried to the new 2020 corresponding account.

The actual unpaid amount of the purchase orders or contracts should be totaled and shown as a separate amount on the appropriation ledger for 2020 (with proper explanation) and added to the 2020 appropriation for the same purpose.



End of Year Duties Encumbrances

Encumbered Appropriations

By carrying out this procedure, the 2020 budget will not be expected to stand any expense not anticipated in making the budget.

We recommend:

- *the proper library officials make a listing of these encumbered items*
- *make it a part of the minutes for the last business meeting of the year*



End of Year Duties Encumbrances

The appropriations encumbered and carried forward can be used for no other purpose other than the purchase order or contract for which they were appropriated.



End of Year Duties Cancellation of Warrants

Indiana Code 5-11-10.5

Old Outstanding Checks

- All checks outstanding and unpaid for a period 2 years as of December 31 of each year shall be declared cancelled.

Example – At December 31, 2019;

- Check #1234 was written on February 27, 2017 and has not cleared the bank and is on the outstanding check list. At 12/31/19, it would be considered “cancelled”.
- Check #9876 was written on November 2, 2018 and has not cleared the bank and is on the outstanding check list. At 12/31/19, this check would *not* be considered “cancelled” and should remain on the outstanding check list.



End of Year Duties Cancellation of Warrants

Indiana Code 5-11-10.5

- ✓ March 1 – fiscal officer prepares list of all outstanding checks for 2 years or more
- ✓ File list of checks with Library Board
- ✓ Fiscal officer keeps a copy

“Old” (or stale) checks are receipted back to your ledger into the fund(s) from which they were originally drawn and removed from the outstanding check list. If fund(s) can't be determined – put in Operating Fund.



End of Year Duties Names & Addresses to County Treasurer

- June 1 & December 1
- Disbursing officer shall certify
 - name
 - address
 of each person who has money due to them from the library.
- County Treasurer shall search their records to ascertain if anyone on the list is delinquent in payment of property taxes. [IC 6-1.1-22-14]



End of Year Duties Names & Addresses to County Treasurer

IC 6-1.1-22-15

If the county treasurer finds that a person whose name is certified to him is delinquent in the payment of taxes, the treasurer shall certify the name of that person and the amount of delinquency to the official of the political subdivision who is to make payment to the person.

The disbursing officer shall periodically make deductions from money due the person and shall pay the amount of these deductions to the county treasurer. (*our emphasis*).



End of Year Duties - Internal Controls Adoption/Training/Certifications

Indiana Code 5-11-1-27(g)

- ▶ “After June 30, 2016, the legislative body of a political subdivision shall ensure that:
 - 1) the internal control standards and procedures developed under subsection (e) are adopted by the political subdivision; and
 - 2) **personnel receive training** concerning the internal control standards and procedures adopted by the political subdivision.”



End of Year Duties - Internal Controls Adoption/Training/Certifications

Indiana Code 5-11-1-27(c) defines "personnel":

"As used in this section, "personnel" means an officer or employee of a political subdivision whose official duties include receiving, processing, depositing, disbursing, or otherwise having access to funds that belong to the federal government, state government, a political subdivision, or another governmental entity."



End of Year Duties - Internal Controls Adoption/Training/Certifications

Remember:

- ✓ Library Board should adopt minimum standards - if they haven't already
- ✓ Provide training for any new employees in 2019
- ✓ Certify on the AFR in Gateway correctly



End of Year Duties - Internal Controls Adoption/Training/Certifications

AFR Unit Questions

The following must be filed with the Annual Report per IC 5-11-1-27 (h).

I certify that my unit has adopted the minimum internal control standards as required per IC 5-11-1-27(e).

Yes No

If yes, I certify that all personnel defined by IC 5-11-1-27(c) received training concerning the internal control standards adopted by my unit.

Yes No

Make sure you answer these questions correctly 



End of Year Duties Internal Control Evaluation

- ✓ Review and Document Procedures
- ✓ Review for evidence of procedures being performed as intended
- ✓ Evaluate effectiveness
- ✓ Change accordingly



Any Questions???



Contact Information

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